

WATER SYSTEM PRIORITIES



WATER FUND AND CAPITAL PROJECTS

WEST BOUNTIFUL CITY
DECEMBER 2009

WATER SYSTEM STATUS



- Water Lines have had minimal, if any, replacements over last 60 years.
- There has been no replacement fund created or maintained for pipe rehabilitation.
- We have experienced increased water line failures as many as 6 or 7 in a week on multiple occasions
- We have experienced multiple failures on the same water lines within close proximity due to de-pressurizing and re-pressurizing the lines to do work.

WATER BOND STATUS



- 2009 Water Bond of about \$4,700,000
 - January 2009 rate increase from \$22 per 12,000 gals to \$30 per 8,000 gals with additional tiers (tiers held until July 2009)
 - The rate increase was to be re-visited to ensure that the bond was appropriately covered.
 - ✦ The first increase covered the principal of the water bond but not interest.
- Started Projects for replacement
 - 2008 – 1100 West from 400 N to 500 S
 - 2009 – 500 S from 800 W to 1100 W
 - 2009 – Porter Lane west end to 1100 N
 - 2009 – 1000 North

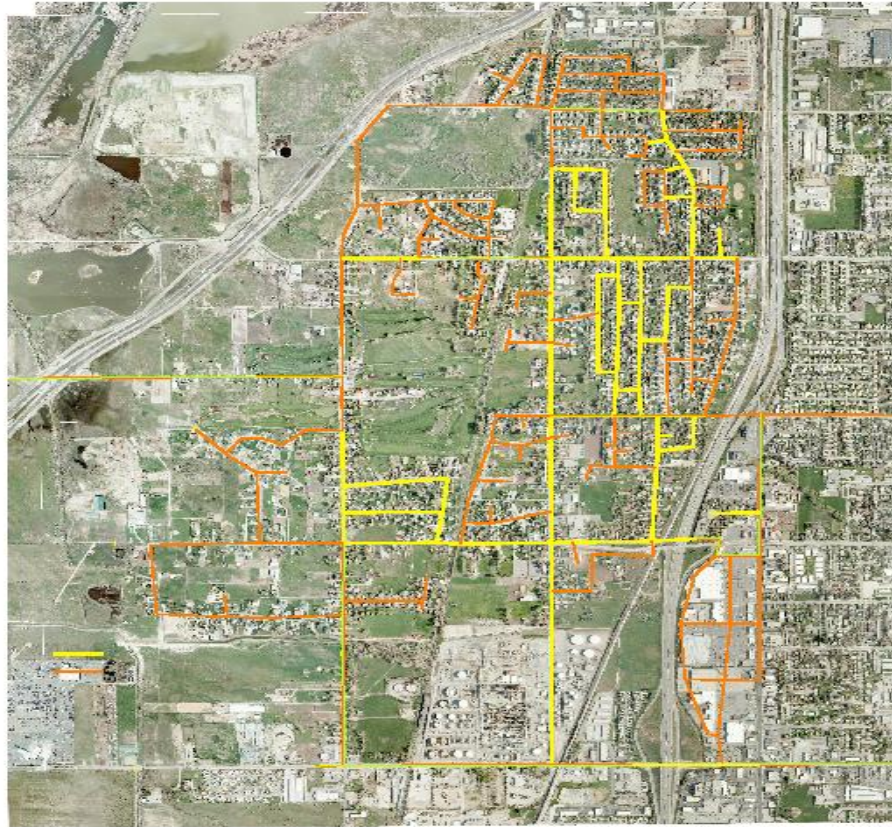
CURRENT WATER PRIORITIES



CURRENT WATER BOND

- The old well is dying even after rehabilitation
 - Running at 50% capacity of only 250 gals. per minute
- Additional capacity and source from New Well
 - Last week experience with Weber Basin water leak
 - Only one source we were nearly out of water
- 400 NORTH 550 WEST TO 1100 WEST
- 2010 – 500 S from I-15 to 800 W

CURRENT WATER PRIORITIES



WATER FUND FINANCIAL SNAPSHOT



Annual Water System Income **\$710,960**

(Base Rate = \$30 / month)

Annual Water System Expenses

1. Operational Cost	\$251,858
2. Weber Basin Water Purchase	\$121,403
3. Water Bond (\$160,000 interest)	\$451,570
4. Water Leaks	<u>\$120,000</u>

SUBTOTAL: **\$944,831**

Annual Water System Shortfall **\$233,871**

CAPITAL FUNDING REQUIREMENT



- Need to replace 50,000 feet of metal pipe that is currently 35 to 60 years old.
- Water Line replacement costs are about \$150 per sq. foot (**\$150 x 50,000 ft = \$7,500,000**)
- 15 to 20 years to replace 50,000 feet of pipe.
- Replacement priority factors include: age, number of leaks, number of customers served, other required improvements, condition of asphalt.

Funding Requirement **\$500,000 per year.**

CURRENT		
Residential Rates		
Base Rates	Inside City	Outside City
8,000 gallons	\$ 30.00	\$ 40.00
Residential Overage Charges		
8,000-12,000	\$ 0.65	\$ 1.30
13,000-30,000	\$ 0.75	\$ 1.50
31,000 +	\$ 1.20	\$ 2.40

Commercial Rates		
Base Rates		
3/4"	\$ 30.00	
1"	\$ 42.00	
1 1/2"	\$ 54.00	
2"	\$ 87.00	
3"	\$ 330.00	
4"	\$ 450.00	
5"	\$ 525.00	
6"	\$ 630.00	
Commercial Overage		
12-399,000 Gal	\$ 0.65	
400,000 + Gal	\$ 1.50	

Current Base Rate of \$30

Increase of \$12 to cover interest on the Water Bond

Increase of \$21 to cover infrastructure investment

Total New Base Rate \$63

PROPOSED		
Residential Rates		
Base Rates	Inside City	Outside City
8,000 gallons	\$ 63.00	\$ 82.00
Residential Overage Charges		
8,000-12,000	\$ 0.69	\$ 1.38
13,000-30,000	\$ 0.80	\$ 1.59
31,000 +	\$ 1.27	\$ 2.54

Commercial Rates		
Base Rates		
3/4"	\$ 63.00	
1"	\$ 88.20	
1 1/2"	\$ 113.40	
2"	\$ 182.70	
3"	\$ 693.00	
4"	\$ 882.00	
5"	\$1,102.50	
6"	\$1,323.00	
Commercial Overage		
12-48,000 Gal	\$ 0.91	
48,000 +	\$ 1.68	

WATER LEAKS



\$2000 PER LEAK

\$4000 PER LEAK IF CONTRACTED

CURRENTLY : \$120,000 PER YEAR